



Coconino County  
Office of the County Manager  
Director of Special Initiatives  
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December 19, 2007

Dear North Stardust & Antelope County Improvement District Member,

The purpose of this communication is threefold: 1) to notify the district that the Board of Directors approved the Resolution of Intention, which initiates the twenty (20) day notice period, 2) to provide additional information regarding district costs, and 3) to address some questions unanswered from the district meeting on October 30, 2007.

### **Resolution of Intention and 20 Day Notice Period**

The Board of Directors of North Stardust and Antelope County Improvement District (NSACID) approved the Resolution of Intention for the NSACID, Resolution #NSACID 2007-01, on November 20, 2007. This resolution declares the intention of the Board to proceed with the plans for improving North Stardust Trail. Attached you will find the **Notice of Improvement** and the **Notice of Hearing on Protests and Objections**. Mailing this Notice of Improvement initiates a twenty (20) day notice period within which district members have the right to protest against the proposed improvements or object to the extent of the district being assessed.

The Resolution of Intention approved by the Board of Directors shows the total estimated cost of the road improvements as \$1,379,601. This estimate includes costs associated with engineering, construction, administration, bond financing and consulting, and acquisition of rights-of-way for the project.

**Please note that since the ROI the County has made a decision to increase its contribution toward the District.** In the most recent District meeting we notified members that Arizona Engineering was in the process of reviewing the cost estimate. This review identified a cost increase of \$140,327 over the 90 percent estimate provided to district members in 2006, because of the need to revise the estimates for the number of culverts and the amount of aggregate base needed on the project.

The County has decided to cover the cost resulting from changes identified by Arizona Engineering. This means that the maximum county contribution to the project will be \$386,233. The estimated total cash value that district members will be liable for is \$993,378.01. If the lowest price bid for the project is under the District Engineer's estimate, then the County's contribution will be reduced proportionately. If the construction bids come in over the Engineer's Estimate, then the decision to proceed will rest with the district members and the Board of Supervisors will also revisit the level of County contribution. If the district elects to proceed at that time, then a revised Resolution of Intention will need to be approved and a new 20-day notice period initiated.

## Objections and Protests against the District

An objection is a claim that your property does not benefit at all from the proposed improvement or that some property not being assessed does benefit. It is up to the objecting property owner to argue this claim before the district board.

A protest is a vote against the project. It does not require any reason. If owners of a majority of the land within the district file protests, then the project must stop.

### **Three things are important if you are filing an objection or protest:**

- 1) Objections and protests to the proposed improvements must be filed within the **20 day notice period. The notice period begins on the day of the mailing of the enclosed notice. BASED ON THE 20 DAY PERIOD, THE FILING DEADLINE IS JANUARY 8, 2008.**
- 2) Protests or objections must be in **writing** and **delivered to the Clerk of the Board at 219 E. Cherry Ave., Flagstaff, AZ 86001. Protests and objections can be mailed to the Clerk of the Board but must be received by deadline of January 8, 2008.**
- 3) Objections and protests need to be **signed by the property owner** (not by a tenant or other property user) and the **property address or Assessor's Parcel Number** must be included on the protest or objection.

I have attached a copy of the statutes governing protests and objections for your reference (ARS 48-917 and ARS 48-918). If the owners of greater than 50% of the property in the district file a protest, then the project must stop. After 6 months, the Board could try again with a new ROI and a new protest period.

If any objection to the extent of the assessment district is upheld by the district board, then the district cannot proceed unless the board adopts a new ROI with a new assessment district boundary.

If filed protests represent less than 50% of the property in the district and all objections are overruled, then the next step in the process will be for the Board of Directors to adopt a resolution ordering the work, which will allow the District to request construction bids. The construction bids must come in under the engineer's estimate to be considered by the Board of Directors. If no bids are submitted that are under the engineer's estimate or considered responsive based on procurement laws, then a meeting will be arranged with the District members to discuss next steps.

## District Costs

As we have discussed in the past, if a viable protest occurs then the costs expended to date will be the responsibility of the district members. After conducting an audit to finalize the expenses of the district up to November 12, 2007, Staff found that the current costs are approximately \$150,000. This will be the cost that the district members will be liable for if the district does not proceed. As has been explained previously, these costs are not distributed evenly but are distributed based on assessed valuation of each property. This means that a property with a higher valuation pays a greater proportion of the costs per state statute. The costs are collected on the property tax bill and the district board can elect to charge the costs on either one single tax bill or over two tax periods.

## **Questions from District Meeting on October 30**

I also would like to update you on several issues that were raised at our District meeting on October 30 at Cromer School. The speed limit on the North Stardust Trail will be 25 miles/hour when the project is completed and the road is accepted into the County Road System. There will be eight stop signs installed at the intersections of the roads accessing North Stardust Trail to increase road safety (if the project proceeds). The ROW documents are public documents and they are available by contacting the Special Districts office. The additional construction cost associated with the ROW agreements is estimated at \$13,600 (moving fences, replacing trees, etc). The contact person for the U.S. Forest Service for questions concerning forest roads and access is Ken Jacobs. He can be reached at 928-214-2464.

If you have any questions or concerns, then please call me at (928) 779-6576 or Esfir Musta at (928) 679-7176.

Sincerely,

Lucinda Andreani  
Director of Special Initiatives